



Office of External Affairs

MEDICARE NEWS

FOR IMMEDIATE RELEASE
October 7, 2005

CONTACT: CMS Media Affairs
(202) 690-6145

**MEDICARE EXPANDS EFFORTS TO FIGHT FRAUD
New Work With Law Enforcement; More Consumer Awareness Planned
As Prescription Drug Coverage Enrollment Nears**

Medicare will employ new techniques and collaborate closely with law enforcement to stand on the side of consumers as the enrollment period for prescription drug coverage nears, Centers for Medicare & Medicaid Services Administrator Mark B. McClellan, M.D., Ph.D., said today.

The CMS approach, Dr. McClellan said, is three-pronged: use new and innovative techniques to help prevent fraud and abuse, including new contracts with eight organizations which will monitor and analyze data to help identify problems; work with law enforcement, prescription drug plans, consumer groups and other key partners to protect consumers and enforce Medicare's rules; and provide basic tips for consumers so they can protect themselves.

"Even before the new drug coverage becomes available next year, we are working hard to protect Medicare beneficiaries and the American taxpayer from anyone who may seek to take advantage of this new program and Medicare beneficiaries," Dr. McClellan said. "We are building on the preventive steps we took with the Medicare-approved drug discount card and lessons learned, and we are working with law enforcement officials to stop people who take advantage of seniors, people with disabilities and the taxpayers."

In conjunction with the comprehensive steps, CMS offered basic advice for Medicare beneficiaries so they can protect themselves and be on the lookout for anyone trying to take advantage of them:

- No one can come to your door uninvited.
- No one can ask you to enroll before Nov. 15.
- No one can ask you for personal information during their marketing activities.
- Always keep all personal information, such as your Medicare number, safe, just as you would a credit card or a bank account number.
- Never give out personal information until you are certain that the person or product is approved by Medicare.
- Whenever you have a question or concern about activity, call 1-800-MEDICARE. If you suspect fraud, you can also call your local law enforcement agency or the Health and Human Services Office of the Inspector General at 1-800-HHS-TIPS.

- More -

“Medicare will be vigilant in protecting consumers, and we want them to know some basic steps they can take to protect themselves,” Dr. McClellan said.

To help consumers, CMS will also be working closely with the Administration on Aging’s Senior Medicare Patrol Program, whose members are also providing information to people with Medicare about protecting their personal information.

"The Senior Medicare Patrols are key partners in Medicare education and awareness, and play a crucial role in protecting both the integrity of the program as well as individual Medicare consumers," said Josefina Carbonell, Assistant Secretary for Aging.

Also to help combat fraud, CMS is working with eight new Medicare Rx Integrity Contractors (MEDICs) that possess specialized skills enabling them to find fraud, waste and abuse in the new prescription drug program. The MEDICs will:

- Analyze data to find trends that may indicate that fraud or abuse is being conducted;
- Begin to investigate potential fraudulent activities surrounding enrollment, eligibility determination or distribution of the prescription drug benefit;
- Investigate unusual activities that could be considered fraudulent as reported by CMS, contractors, or beneficiaries;
- Conduct fraud complaint investigations; and
- Develop and refer cases to the appropriate law enforcement agency as needed.

"I applaud CMS's efforts to implement these additional program integrity measures to help ensure that the new Medicare prescription drug plan works as intended in the proper delivery of an important new benefit for our Medicare beneficiaries," said HHS Inspector General Daniel R. Levinson.

CMS’s anti-fraud efforts also involve work with providers, Medicare contractors, and other government agencies, including the Department of Health and Human Services Office of the Inspector General, the Federal Bureau of Investigation, the Department of Justice, the States’ Attorneys General, and the State Medicaid Fraud Control Units.

These new efforts support existing and successful activities conducted by CMS in its oversight of the Medicare Part A, Part B, Medicare Advantage. Medicare drug discount card and, Medicaid programs. More specifically, CMS has:

- Taken steps to resolve concerns and premature marketing actions by prescription drug plans, including issuing warning letters to Part D contractors and working with state regulators to enforce marketing agent licensure requirements.
- Hosted a Program Integrity (PI) Drug Benefit Conference with law enforcement partners, briefing law enforcement representatives about the new prescription drug benefit and CMS’ efforts to further protect the Medicare Trust Fund from fraud, waste, and abuse in the new benefit and retiree subsidy; and
- Hosted a Compliance Conference with Part D contractors in September 2005, providing contractors with information about CMS’ oversight strategy and compliance program requirements necessary for the Part D benefit.

All of these activities are closely coordinated with related CMS efforts to assure accurate and effective financing, such as contractor reform, supplementary carrier quality controls and improved data capabilities, provider education and training tools to ensure accurate payments.

CMS continues to work closely with the Medicare contractors, the private companies that process and pay Medicare claims, to make sure appropriate education and guidance is given to the provider community on identified billing problems so that they are corrected.

People with Medicare who find that someone is inappropriately using their personal information should contact 1-800-MEDICARE (TTY users should call 1-877-486-2048) and the Federal Trade Commission's ID Theft Hotline at 1-877-438-4338 (TTY users should call 1-866-653-4261) to file a report. A beneficiary who feels in danger for any reason should contact their local police department immediately.

#